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FEDERAL COMMUNICATIONS COMMISSION
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July 2, 1993

Donna Searcey
Secretary
Federal Communications Commission
1919 M Street, NW
Washington, D.C. 20554

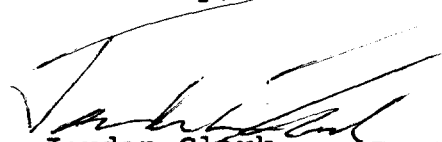
RE: MM Docket No. 92-266

Dear Ms. Searcey:

Attached please find the original and seven (7) copies of reply comments of the United Homeowners Association for the above referenced Docket.

Thank you.

Sincerely,



Jordan Clark
President

cc: Barrett Brick, Cable Branch, Mass Media Bureau

NEW ADDRESS

1511 K St., N.W., Suite 345
Washington, D.C. 20005

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In the Matter of

MM Docket 92-266

Rate Regulation

**REPLY COMMENTS OF
UNITED HOMEOWNERS ASSOCIATION¹**

rates charged by low penetration systems are, in general, among the highest rates in the country,⁴ higher even than rates charged by other monopoly cable operators. Congress could not have intended that rates charged by monopoly cable operators, rates which it found to be excessive, be regulated by comparing them to rates that are even higher.

In fact, including low penetration systems in constructing a competitive benchmark will increase the benchmark rates. As a result, homeowners and other cable television subscribers will not realize the full benefit of rate regulation provisions adopted by Congress.

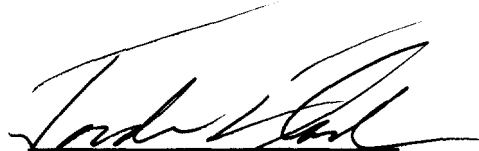
UHA understands that the cable rates may exceed the benchmark rates set by the Commission only if a local cable operator can demonstrate through a "cost of service" showing that its costs exceed the benchmark. We note, however, that consumers will not be able to challenge the benchmark rate. Consumers have no opportunity to reduce a cable operators rates below the benchmark even if they can demonstrate that its "cost of service" is significantly below the benchmark.

As such, UHA believes that for consumers to fully realize the benefits of the rate regulation provisions of the Cable Act of 1992, the Commission should establish benchmark rates that accurately reflect rates that would be charged if there were true competition in the market. This is best accomplished by excluding the rates charged by low penetration systems in constructing a competitive benchmark.

UHA thanks the Commission for seeking additional comments on this matter and appreciates the Commission's efforts to develop benchmark rates that will afford the greatest rate

relief to homeowners and other consumers who have been subject to unregulated monopoly pricing practices for almost a decade.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Jordan Clark", written over a horizontal line.

Jordan Clark, President
United Homeowners Association
1511 K Street, NW, Suite 345
Washington, D.C. 20005
(202) 408-8842

July 2, 1993